

## General Services Administration

## 501.602-3

provide for a guaranteed minimum must cite funds adequate to cover the guaranteed minimum quantities.

(b) *GSA funds, other than revolving funds.* (1) A requisition signed by an authorized individual may be considered as evidence that funds cited are available for purchases payable from GSA funds other than revolving funds. A certification that additional funds are available must be obtained from the requisitioning activity before awarding a contract or purchase order when the purchase exceeds (by 10 percent or \$50, whichever is greater) the dollar amount of funds cited on the purchase requisition.

(2) When a requisition is not used, e.g., lease of real property, the contracting officer must ensure funds are available before awarding the contract.

(c) *Other Federal agencies' funds.* For purchases for direct delivery to Federal agencies other than GSA, the receipt of a properly signed/approved purchase request is sufficient evidence that funds are available. Where, however, the agency's purchase request indicates that a specific dollar amount has been set aside for the acquisition, as in the case of a Project Implementation Order/Commodities (PIO/C) from the Agency for International Development, the buying activity must not exceed the fund limitation except to the extent authorized in supply support agreements. When the funds stated on the purchase request appear to be or are insufficient to cover costs for the acquisition, transportation, export surcharge, and any other expense involved in the delivery of material to designated consignees, additional funds must be obtained from the requiring agency before the acquisition is completed as indicated below:

(1) When requirements are submitted by agencies directly to a contracting division in the Central Office (regardless of where the procurement is actually made), the request for additional funds should be made by the Central Office contracting division.

(2) When requirements are submitted to a regional contracting division (regardless of where the acquisition is made), the request for additional funds will be made by the order processing

and control activity in the region initially receiving the requirement.

[54 FR 26486, June 23, 1989, as amended at 56 FR 15288, Apr. 16, 1991]

### **501.602-3 Ratification of unauthorized commitments.**

(a) *Authority.* Under FAR 1.602-3, contracting officers may ratify unauthorized contractual commitments if the HCA approves the ratification action. The HCA may not redelegate this authority.

(b) *Procedures.* (1) Generally, the Government is not bound by commitments made by persons who do not have contracting authority. Such unauthorized acts may violate laws or regulations. Therefore, unauthorized commitments should be considered as serious employee misconduct and consideration given to initiating disciplinary action. If suspected irregularities may involve fraud against the Government, or any type of misconduct that might be punishable as a criminal offense, either the employee's supervisor or the contracting officer must immediately report the matter to the Office of the Inspector General with a request for a complete investigation.

(2) The individual who made the unauthorized commitment shall furnish the appropriate contracting director all records and documents concerning the commitment and a complete written statement of facts, including, but not limited to, a statement as to why normal acquisition procedures were not followed, why the contractor was selected and a list of other sources considered, description of work or products, estimated or agreed-upon contract price, citation of appropriation available, and a statement regarding the status of the performance. Under exceptional circumstances, such as when the person who made the unauthorized commitment is no longer available to attest to the circumstances of the unauthorized commitment, the contracting director may waive the requirement that the responsible employee initiate and document the request for ratification, provided that a written determination is made stating that a commitment was in fact made by an employee, who must be identified in the determination.